



COMMONWEALTH of VIRGINIA

Department of Taxation
Richmond, Virginia 23282

*Aircraft -
Washington National
Airport*

MEMORANDUM

TO: Russell C. Whitehead, Jr., Supervisor
Taxpayer Assistance Section

DATE: March 10, 1987

RE: Imposition of the Aircraft Sales and Use Tax
at Washington National Airport

This will refer to your recent conversation with Tim Winks relating to the assessment of aircraft sales and use tax on planes based at Washington National Airport.

§ 58.1-1502 of the Code of Virginia levies the aircraft sales and use tax with respect to the sale of an aircraft in Virginia or the use of aircraft required to be licensed in Virginia. Therefore, a sale is necessary for the imposition of the aircraft sales tax, while the aircraft use tax is triggered only if the plane is required to be licensed with the Department of Aviation.

As Virginia possesses the authority under the Airport and Airways Development Act of 1970 to collect sales and use taxes at National Airport (with certain limited exceptions), the imposition of the tax on aircraft sold at National Airport is proper. However, the use tax may not be imposed upon an aircraft purchased outside Virginia which is subsequently based at National Airport. This is true because aircraft based at the airport are not required to be licensed by the Department of Aviation pursuant to a 1946 compact in which Virginia ceded exclusive jurisdiction over the airport property to the United States.

If you have any further questions, please let me know.

Danny M. Payne

Danny M. Payne, Director
Tax Policy Division